

## **MINUTES OF THE RURAL HEALTH ADVISORY COMMISSION**

Wednesday, September 7, 2005  
Board Room – Holiday Inn  
Kearney, Nebraska

Members Present: Angela Brennan, M.D.; Steve Dokken, D.D.S.; Marty Fattig; Don Frey, M.D.; Pam List, A.R.N.P.; Michele Mulligan-Witt, M.D.; Rebecca Schroeder, Ph.D.; Mike Sitorius, M.D.; Bill Welch; Roger Wells, PA-C

Members Absent: Bill Brush; Nancy Montanez; Joann Schaefer, M.D.

Guests Present: Ruth Demmel, M.D., Grant, Nebraska; Robyn Henderson, RHEN/UNMC; Jeff Santema, Legislative Aide to Sen. Jim Jensen

Office of Rural Health Staff Present: Dennis Berens, Marlene Janssen, Tom Rauner, Deb Stoltenberg

### **1. Call Meeting to Order; Adopt Agenda; Approve Minutes of June 17, 2005 Meeting; Introduce Members and Guests**

Chairman, Dr. Don Frey, called the meeting to order at 6:40 p.m. Before approving the minutes, Marlene Janssen stated that one of the mental health student loan recipient's names (Rhonda Turner) was omitted from the list of approved continuation student loans on page 8 of the minutes. Marty Fattig stated that on page 2, paragraph 5, "paper performance" should be "provider performance." Dr. Mike Sitorius moved to approve the minutes of the June 17, 2005, meeting as corrected. Roger Wells seconded the motion. The motion carried unanimously.

The members and guests introduced themselves. It was decided and agreed upon by the members to discuss Perkins County first instead of waiting until "Other Business" since Dr. Demmel was present and wanted to address the Commission. (This discussion is summarized under "Other Business," agenda item #9.)

### **2. Next Meeting Date & Request for Nominations for Chair and Vice-Chair**

Chairman, Dr. Don Frey announced the next meeting is scheduled for Friday, November 18, 2005, at 1:30 p.m., in Lincoln, Nebraska.

Dr. Frey stated that the Commission must annually elect a Chair and Vice-Chair. Elections are held the last meeting of the calendar year and nominations are needed. Dr. Rebecca Schroeder

nominated Dr. Frey to continue serving as Chair and Roger Wells to continue serving as Vice-Chair. Dr. Frey and Mr. Wells accepted the nominations. The formal election process will occur at the November meeting.

### **3. Policy Committee Report**

Dennis Berens introduced Jeff Santema, aide to Senator Jim Jensen, and thanked him for attending the Commission meeting. The Policy Committee draft recommendations and meeting summary are in the Commission members' packets.

Pam List reported that at the June Commission meeting, the Commission asked the Policy Committee to prioritize their recommendations and focus on two or three goals. As such, Ms. List stated that the Policy Committee identified the number one goal as incentive programs for rural health professionals, which is essentially a "core" goal of the Commission. The number two goal is a combination of three previous goals focusing on Medicaid.

The Policy Committee then developed a work plan strategy for each goal. The work plan strategy for the incentive programs for rural health professionals includes finding ways to publicize the incentive programs, meeting with area health Education Center (AHEC) leaders to discuss partnerships around the incentive programs, work with health provider associations on ways to provide better information about the incentive programs to their members, and identify new financial incentives and tools to address the new economic realities of our incentive program recipients.

The work plan strategies for Medicaid are: (1) to meet with Medicaid administration and Legislative representatives to learn more about the Medicaid reform process and identify the Rural Health Advisory Commission's (RHAC) role, (2) prepare and submit comments on behalf of the RHAC to the Medicaid Reform Committee, Health and Human Service System, and the Governor, and (3) continue to review and monitor suggestions on Medicaid Reform and how it impacts the RHAC's goals. Jeff Santema reported that the next meeting of the Medicaid Reform Advisory Council will be September 21<sup>st</sup>. There will be a monthly report prior to that meeting. Dennis Berens added that, based on present projections of tax revenues and expenses, by 2014 the entire State budget would need to be allocated to education and Medicaid. This is why Medicaid Reform is so important.

Jeff Santema expressed his appreciation to the Rural Health Advisory Commission for their input on Medicaid Reform. Medicaid Reform is very serious to the Legislative and Executive branches of government. August and September have been devoted to gathering information and input. October and November will focus on getting public input of draft recommendations. The most difficult part of Medicaid Reform is determining what the public policy of the State is with regard to its medical assistance program. Mr. Santema asked the Rural Health Advisory Commission to consider this question and provide input to the Medicaid Reform Advisory Council. There will be legislation introduced in 2006 to implement re-codification of the Medicaid statutes. Mr. Santema stated that not only is the Council working on a substantive reform of the Medicaid program, the Council is also charged with re-codification of the Medicaid statutes.

Jeff Santema reported that Medicaid statutes have been changed approximately 46 times in 26 different legislative sessions since first being introduced in 1965. The Legislature, through the Medicaid Reform Advisory Council, is looking at the whole body of Medicaid statutes to make it more concise.

Dennis Berens reported that at a recent Certified Rural Health Clinic meeting it was reported by one clinic that over 70% of their cases are Medicaid. Dr. Rebecca Schroeder added that according to some recent research approximately 80% of all mental health and substance abuse claims are Medicaid related. Mr. Berens stated the reason he brought up these numbers is that Medicaid is one of the major funding sources for rural health clinics and federally qualified health centers. Jeff Santema added that these clinics along with Critical Access Hospitals are safety net providers.

Pam List moved that the Policy Committee, on behalf of the Commission, submit recommendations to the Medicaid Reform Advisory Council. Dr. Angela Brennan seconded the motion. Motion carried unanimously.

Ms. List pointed out to the Commission that the Policy Committee's action plan is to keep the Commission focused on all of the current issues. While the Commission cannot address all of these issues, we need to focus our attention on the top priorities.

#### **4. Primary Care Office Report**

Tom Rauner stated that he had nothing new to report that affects the Commission. Mr. Rauner did report that the National Health Service Corps' fiscal year begins on October 1, 2005. Any health professionals that meet the National Health Service Corps Loan Repayment Program guidelines will be encouraged to apply before applying for the Nebraska Loan Repayment Program.

#### **5. Proposed Legislation Update**

Marlene Janssen reported that at the June Commission meeting, the Commission made a motion to propose legislation to increase the maximum amounts of loan repayment and, if funding is available, request an increase in state general funds to fund the new amounts. Ms. Janssen explained that the department director must approve proposed legislation, in this case the Director of Regulation and Licensure, before it is submitted to the Health and Human Services System Policy Cabinet. The Commission's proposed legislation was denied by the director and was, therefore, not submitted to the Policy Cabinet. Marlene Janssen then contacted Dr. Frey. Dr. Frey, on behalf of the Commission, sent advise letters to Senator Jim Jensen, Chair-Health and Human Services Committee, and the Governor explaining the proposed legislation and why it was needed even without additional funding.

Dr. Frey asked Ms. Janssen what is the Commission's next step? Ms. Janssen explained that the deadline has past for legislative proposals through the Policy Cabinet and Governor's office but the Commission does have the authority to advise the Legislature on this issue.

Pam List moved to have Dr. Frey and any other members of the Commission along with Marlene Janssen, who will provide technical support, contact Senator Jim Jensen and any other senators, if necessary, to encourage proposing legislation to increase the maximum amount of loan repayment awards and, if funding is available, to increase program funding to support this change. Dr. Rebecca Schroeder seconded the motion. Motion carried unanimously.

Ms. Janssen stated that the Commission asked the Office of Rural Health at the June meeting to determine the legality of a student loan recipient also participating in the loan repayment program and serving concurrent practice obligations. According to Health and Human Services System legal staff there is nothing in statute to prevent this and therefore, the Commission could set a policy to allow concurrent service.

Dr. Mike Sitorius moved to table the issue of concurrent practice obligation until the next meeting and have the Office of Rural Health prepare an example of the impact of this policy. Dr. Angela Brennan seconded the motion. Motion carried unanimously.

## **6. State Incentive Programs Update**

### Student Loans

Marlene Janssen reported that the following two individuals declined student loan offers for 2005-06:

Elizabeth Barlow-Munch (4<sup>th</sup> year dental student)  
Nicole Witthun (1<sup>st</sup> year master's level mental health)

Ms. Janssen also reported that Timothy Davis, a 4<sup>th</sup> year dental student, was offered a loan and originally declined it because he was considering a practice in a non-shortage area. After negotiations fell apart, he contacted Marlene Janssen and asked if he could still accept the loan. Ms. Janssen reported that since funding was still available and it was the intent of the Commission to offer him a student loan, a contract was prepared and signed by Mr. Davis.

Ms. Janssen reported that the following student loan recipients were beginning practice in 2005:

Rachel Blake, M.D. – Valley County (Ord), family practice, currently serving a military  
commitment in Iraq

Jamie Dodge, M.D. – Box Butte County (Alliance), family practice, currently serving a military  
commitment in Iraq

Mary Ebeling, D.D.S. – Burt County (Lyons) expected start date September 2005

Chris Hall, M.D. – Perkins County (Grant), family practice, start date August 15, 2005

Matthew Johnson, M.D. – Lincoln County (North Platte), internal medicine, start date  
August 1, 2005

Jared Kramer, M.D. – Howard County (St. Paul), family practice, start date August 1, 2005

Kendra Pavlik, D.D.S. – Platte County (Columbus), start date July 1, 2005

Farrah Plate, D.D.S. – Valley County (Ord), start date July 1, 2005

Ms. Janssen reported that all 2005 student loan graduates are choosing to practice in rural shortage areas instead of buying out their contracts.

### Loan Repayment

Marlene Janssen reported that Erin Wetzel, D.D.S. was approved for the Nebraska Loan Repayment Program but has declined the State offer in order to participate in the National Health Service Corps Loan Repayment Program. Dr. Wetzel is currently practicing at the Charles Drew Health Center in Omaha.

### Accounts Receivable

Marlene Janssen reported on the status of the following incentive program defaults.

Student Loan contract buyouts: Theresa Buck (current); Nancy Miller-Davis, M.D. (pursuing collection on judgment); David Kershner, P.A. (litigation); Les Veskrna, M.D. (current).  
Loan Repayment defaults: Kristal Dowse, R.P. (first payment due October 1, 2005); Denise Freidel, M.D. (current); Michael Karel, P.A. (current); Reba Glidewell, Ph.D. (litigation); Krista Krebs, Ph.D. (litigation); J. Lynn Williams, M.D. (litigation).

#### Budget

Marlene Janssen reported that since the Legislature authorized cash spending authority for student loans and since there is over \$1M in the cash account from student loan defaults, cash funds were used first for the 2005-06 student loans and then general funds. This leaves more general funds to use for loan repayment for the current fiscal year. Any general funds not used can be carried over into FY2006-07.

Dr. Frey noted that the reason we have these cash funds to use and why it is important to get this message across to the Legislature is because medical student loan recipients are finding that they can get their loans paid off and receive larger incomes by working in urban areas or larger rural hubs. By increasing loan repayment awards, rural areas will have a more competitive incentive to offer health professionals and attract them to shortage areas. Dr. Frey stated that while our cash account looks good the goal of the rural incentive programs is to place health professionals in shortage areas.

Marlene Janssen reported that \$27,243 was received this year from the University of Nebraska Medical Center, Rural Health Opportunities Program (RHOP). In 1999, the Legislature directed that state funds collected from RHOP student loans were to be deposited annually in the Rural Health Incentive Cash Fund.

### **7. Closed Session**

Marty Fattig moved to go to closed session. Dr. Sitorius seconded the motion. The motion carried unanimously.

### **8. Open Session**

Marty Fattig moved to go to open session. Dr. Brennan seconded the motion. The motion carried unanimously.

Dr. Mike Sitorius moved to accept the following loan repayment applications (expected start dates for loan repayment are shown in parenthesis):

Jodi Merrihew, P.A., Chase County (October 1, 2005)

Mandy Shaw, M.D., Cheyenne & Deuel Counties (September 1, 2005)

Dr. Brennan seconded the motion. The motion carried unanimously.

### **9. Other Business**

#### **Perkins County**

Dr. Ruth Demmel, a rural physician practicing in Grant, Nebraska (Perkins County), addressed the Commission concerning the Commission's decision to force Dr. Paul Bottom to retire prior to a new physician beginning practice. According to Dr. Demmel, Dr. Bottom, a general practitioner, is the only surgeon available on short notice in Perkins County. The new physician is fresh out of residency and his skills are not fully developed. Dr. Bottom is willing to mentor the new

physician but can no longer work in Perkins County because of the decision made by the Office of Rural Health. Dr. Don Frey corrected Dr. Demmel stating the decision to require Dr. Bottom to not practice in Perkins County was made by the Rural Health Advisory Commission because Perkins County Health Services requested designation as a state-designated, family practice shortage area. Perkins County did not meet the family practice guidelines unless Dr. Bottom discontinued practice.

Dr. Demmel stated that her clinic, which is privately owned, was not aware of the fact that Dr. Bottom could no longer practice in Perkins County after August 12, 2005 until the day before he retired. She later learned through discussions with Marlene Janssen at the Office of Rural Health that Dr. Bottom could have worked up to 4 hours per week without impacting the shortage area designation for Perkins County. Dr. Demmel added that the Commission needs to talk with physicians in the community not just the hospital administrator and hospital board in making decisions such as that with Dr. Bottom. (Note: Dr. Bottom was employed by the Perkins County Health System (hospital) and the new physician, Dr. Chris Hall, is a student loan recipient and must practice in a state-designated, family practice shortage area to receive loan forgiveness. Dr. Hall is an employee of Perkins County Health Services. This note added by Marlene Janssen.)

Dr. Rebecca Schroeder and Dr. Don Frey expressed appreciation to Dr. Demmel for coming and presenting her concerns to the Commission. Dr. Frey stated that the Commission had to look at the numbers and try to figure out how to get Perkins County designated so Dr. Chris Hall could receive forgiveness of his student loans. According to Dr. Frey, if the Commission could not make this work then Dr. Hall would have a significant amount of debt to repay to the State of Nebraska. Dr. Frey suggested that we can look at the numbers again but we still have to follow the shortage area guidelines.

Dr. Demmel stated that it is wrong that she is reported as 0.9 full-time equivalency (FTE) when she only is scheduled 20 hours per week in the clinic. Marlene Janssen responded that physician hours are based on survey data from the University of Nebraska Medical Center's Health Professions Tracking Center. The reported hours are based on surveys completed by the physicians.

Bill Welch asked if there are now 2.9 FTE physicians in Perkins County. Dr. Demmel replied that on August 12, 2005 when Dr. Bottom retired Perkins County had 1.9 FTE so Dr. Bottom could have continued to work half a day a week, however, he may not want to work in a clinic.

Dr. Michele Mulligan-Witt asked Dr. Demmel if what she is really saying is that she needs surgical services? Dr. Demmel replied that Dr. Bottom is looking at working part-time in Dundy and Kimball Counties to provide these counties some relief. Does the Commission really think this sounds like a physician who wants to retire?

With no other questions, Dr. Frey thanked Dr. Demmel for her comments and asked if she wanted to stay. Dr. Demmel stated she had other family matter to attend to and left.

The Commission discussed Dr. Demmel's comments. Dr. Rebecca Schroeder stated that east of Kearney is a different kind of rural than Curtis, Nebraska. Rural in the Curtis area is you may drive twenty miles without even seeing a town. Dr. Demmel's patient numbers seem to be very accurate when she says 52 percent of her patients come from within Perkins County and the rest come from outside the county. A physician in one small rural town is a draw for areas around the town.

Dr. Frey asked, rhetorically, what are the resources at the Perkins County hospital? What surgeries can they be doing? As the Commission has found before, we cannot take sides when people won't cooperate or try to compete with each other. It would be nice if we could get the folks from Grant and Ogallala to work together but there is nothing we, as a commission, can do to force this interaction. While I empathize with Dr. Demmel that Ogallala is competing with Grant, although she did not specifically state this, it has come out in the phone calls and letters, I'm not sure in all fairness we can base our decision on this issue. From the standpoint of surgical skills, I would think we could allow Dr. Bottom to work up to 4 hours per week to provide urgent surgical care in Perkins County without jeopardizing the county's shortage area designation. Marty Fattig added that Perkins County hospital only has about 4 or 5 appendectomies a year.

Bill Welch asked how many physicians Perkins County can have and still be a shortage area. Marlene Janssen replied that Perkins County had to get down to 2.0 FTE or less to qualify as a state-designated, family practice shortage area. That is why Dr. Bottom had to retire.

Dr. Mike Sitorius moved to allow Dr. Bottom to practice up to 4 hours per week in Perkins County without jeopardizing the family practice shortage designation for the county. Dr. Michele Mulligan-Witt seconded the motion. The motion carried unanimously. Dr. Frey directed Marlene Janssen to write a letter on behalf of the Commission to the Perkins County hospital administrator stating the Commission's motion concerning Dr. Bottom.

Marty Fattig asked if loan repayment was available for master's level nursing faculty. Marlene Janssen reported that a nursing faculty student loan program was passed this year in the Legislature. Funding will be through increased license fees. The Credentialing Division within the Department of Regulation and Licensure is administering this program. Ms. Janssen reported that it would probably be 2006 before nursing faculty student loans will be offered. This program is independent of the rural health incentive programs.

Dennis Berens referred Commission members to the handouts on telehealth networks, rural health clinics and maps, and domestic violence packet. Mr. Berens asked members to review these handouts and be thinking about the future delivery of health care in rural areas.

## **10. Adjournment**

Dr. Mike Sitorius moved to adjourn the meeting at 8:30 p.m. The motion carried unanimously.